implementing agencies under the Mini Mission-IV of Technology Mission for Integrated Development of Horticulture in North-Eastern States including Sikkim, Jammu & Kashmir, Uttarakhand and Himachal Pradesh @ 50% of cost of plant and machinery and technical civil works subject to a maximum of Rs. 4.00 crores for establishment of new units and Rs. 1.00 crore for upgradation and modernization of existing units.The Schemes of the Ministry are project oriented and not State specific. Assistance is considered based on complete and viable project proposals received through respective State Nodal Agencies. As suh, State-wise financial allocations are not made. The Ministry does not set up projects on its own.

Sanctioning of food processing industries

578. SHRI MANOHAR JOSHI: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) the details of food processing industries sanctioned and money allocated in the last two years;

(b) whether any industry has been sanctioned for Maharashtra;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) to (d) During the period 2004-05 to 2006-07 (upto February 2007), a total of 799 food processing units in the country have been sanctioned financial assistance amounting to Rs. 24383.97 lakhs. Of this, 136 food processing units belong to Maharasthra which have been sanctioned a grant of Rs. 3783.57 lakhs.

Increase in share of food processing market

†579. SHRI SURENDRA LATH: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether in spite of India being among major foodgrains producers in the world, its share is less than even one per cent in processed food market;

†Original notice of the question was received in Hindi.

(b) if so, the reasons therefor;

(c) whether the Agriculture Produce Marketing Commission Act is an obstacle in any way in the processing of foodgrains;

(d) if so, whether there is any proposal of any amendment in it; and

(e) if not, the steps Government are taking to increase India's share at international level in the processing of foodgrains.?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) and (b) India's share in global food trade is presently around 1.5%. Food processing industry is facing constraints like non-availability of adequate critical infratructural facilities, like cold chain, packing and grading centres, etc. lack of adeqaute quality control and testing infrastructure, inefficient supply chain, lack of processabie varieties of farm produce, seasonality of raw materialr-high inventory carrying cost, high taxation, high packaging cost, etc.

(c) to (e) According to a World Bank report, The existing Agricultural Produce Marketing (Development & Regulation) Act restricts the farmers' choice in selling their produce at the regulated markets limiting other marketing channels that could offer better returns to farmers. In some cases, ban on direct sale to processors and other bulk buyers leads to higher transaction cost. The Act also hindes greater private sector involvement in the construction and operation of wholesale markets in many States.

On the basis of the suggested Model Act, various State Governments have initiated reforms in the agricultural marketing sector by suitably amending the respective State level Acts. The major reforms sought to be introduced include, *Inter-alia,* (i) enabling legal persons, growers and local authorities to establish new markets in any area, (ii) removing the restriction on the growers to sell their produce only through existing regulated markets, (iii) establishment of Direct Purchase Centres and Consumers'/Farmers' Markets for direct sale (iv) providing a separate provision for establishment of special markets for commodities like onions, fruits, vegetables, flowers etc., and (v) introducing an institutional support mechanism to contract farming arrangements. The reforms would encourage a marketing regime, where there is fair competition, so that the farmers can gain from the

options available and take their produce to the centres that offer the best prices and services. The contract farming arrangements will provide an effective method of linking small farm sector to agro-processing industry and to sources for extension advice, seeds, credit card to assured and profitable markets.

A Vision 2015 on Food Processing Industries has been finalized by the Ministry of Food Processing Industries, which envisages, *inter-alia,* cluster based and emand driven farming, achieving integration of food processing infrastructure from farm to market, promoting a dynamic food processing industry which could result in trebling the size of the processed food sector by increasing the level of processing of perishables from 6% to 20%, value addition from 20% to 35% and share in global food trade from 1.5% to 3% by 2015. Under the Vision 2015, the thrust areas identified for strategic intervention are establishing Megs Food Parks, Modernization of abattoirs, Cold-chain/value addition and preservation infrastructure, capacity building by setting up of National Institute of Food Technology, Enterpreneurship & Management (N'FTEM), enacting Food safety and Standards Act, 2006, upgrading safety and quality of street food and establishment/upgradation of Quality Control Laboratories. Government has identified strategies along with a detailed action plan in this regard to realize the Vision 2015. An estimated investment of Rs. 100,000 crores is required to achieve to Vision 2015.

Food processing units in North Bengal

580. SHRI TARINI KANTA ROY: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether there is any proposal to establish food processing units in North Bengal; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) and (b) Ministry of Food Processing Industries extends financial assistance for Technology Upgradation/Modernization/Establishment of food processing units in the form of grant-in-aid to all implementing agencies @ 25% subject to a maximum of Rs. 50 lakhs in general areas or 33.33% subject to a